PROPOSED CONFERENCE REPORT NO. 1 SEPTEMBER 9, 2003

AMENDED IN ASSEMBLY JULY 14, 2003

SENATE BILL

No. 552

Introduced by Senator Burton

February 20, 2003

An act to amend Section 14666.6 of the Government Code, relating to state property. An act to add Section 25722.5 to the Public Resource Code, relating to state purchases.

LEGISLATIVE COUNSEL'S DIGEST

SB 552, as amended, Burton. State property: grants and conveyances: Director of Transportation motor vehicle fleets.

Existing law makes it the policy of the state to minimize the economic and environmental costs due to the use of petroleum-based fuels and other transportation fuels by state agencies. Existing law requires the State Energy Resources Conservation and Development Commission (Energy Commission), the Department of General Services, in consultation with the Energy Commission and State Air Resources Board, to develop and adopt fuel-efficiency specifications governing the purchase by the state of motor vehicles and replacement tires. Existing law requires the Energy Commission and the department, in developing the specification, to jointly conduct a study to examine state vehicle purchasing patterns and to analyze the costs and benefits of reducing the energy consumption of the state fleet by no less than 10% on or before January 1, 2005. Existing law also requires the Energy Commission, the department, and the state board, on or before January 31, 2003, and annually thereafter, to develop and adopt air pollution

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emission specifications governing the purchase by the state of passenger cars and light-duty trucks that meet or exceed the state's Ultra-Low Emission Vehicle (ULEV) standards for exhaust emissions. Existing law requires the Energy Commission, on or before January 31, 2003, to develop and adopt recommendations for consideration by the Governor and Legislature for a California State Fuel-Efficient Tire Program.

This bill would require the Department of General Services, on or before January 1, 2005, in consultation with the Energy Commission and the State Air Resources Board, to develop and adopt specifications and standards for all passenger cars and light-duty trucks that are purchased or leased on behalf of, or by, state offices, agencies, and departments. The bill would require the specifications and standards to include certain elements. This requirement would not apply to authorized emergency vehicles, as defined.

The bill would require each state office, agency, and department, on or before December 31, 2005, to review its vehicle fleet and, upon finding it is fiscally prudent, cost-effective, or otherwise in the public interest to do so, to dispose of nonessential sport utility vehicles and four-wheel drive trucks from its fleet and replace those vehicles with more fuel efficient front-wheel drive passenger cars and trucks.

The bill would also require these offices, agencies, and departments, to the maximum extent practicable, to use the appropriate fuel in bi-fuel natural gas and bi-fuel propane vehicles that are in their fleets.

Commencing no later than January 1, 2005, the bill would also require the Director of General Services to compile and maintain prescribed information on the nature of vehicles owned or leased by the state.

The bill would require each state office, agency, and department to cooperate with the Department of General Services data requests and would require the Department of General Services to make the compiled and maintained information, and a listing of those offices, agencies, and departments that did not cooperate with the department, available to the public on that department's Web site.

Existing law requires the Director of Transportation to negotiate in the name of the state, access to state-owned highway rights-of-way, for those purposes and subject to those conditions, limitations, restrictions, and reservations determined by the director to be in the best interest of the state, with respect to various telecommunications and information

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technologies. Payments received pursuant to these provisions are deposited in the State Transportation Fund.

This bill would require the director to submit to the Legislature, no later than July 1, 2005, a summary of all payments or services the Department of Transportation receives for a grant or conveyance through land or facilities pursuant to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 14666.6 of the Government Code is 1

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2 SECTION 1. The Legislature finds and declares all of the 3 following:

- (a) By enacting Senate Bill 1170 of the 2001-02 Regular Session (Chapter 912 of the Statutes of 2001), the Legislature established a state policy goal to reduce the energy consumption of the state vehicle fleet by 10 percent on or before January 1, 2005. In addition, that legislation amended Section 25000.5 of the Public Resources Code to establish a state transportation energy policy that results in the least environmental and economic cost to the state and includes, among other things, the goal of purchasing the cleanest and most efficient automobiles.
- (b) Increasing the fuel efficiency of the state's vehicle fleet is a cost-effective way to reduce the state's expenditures on fuel.
- (c) The "California State Vehicle Fleet Fuel Efficiency 16 Report," published by the State Energy Resources Conservation and Development Commission (Energy Commission), the State Air Resources Board, and the Department of General Services, in May 2003, made the following recommendations:
 - (1) State government should operate its own fleet of passenger automobiles and light-duty trucks using the most efficient fuels possible in those vehicles with the most advanced technologies.
 - (2) The state should, among other things, pursue the following strategies to reduce petroleum use in the state vehicle fleet:
 - (A) Use alternative fuels in bi-fuel natural gas and propane
 - (B) Purchase high efficiency and hybrid vehicles.
- (C) Seek purchase policy changes to maximize the inclusion of 28 efficient vehicles.

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(D) Expand the data collection regarding the state vehicle fleet.

(3) As a matter of policy, the state should discourage state offices, agencies, and departments from purchasing sport utility vehicles, unless the office, agency, or department documents a critical need for that vehicle.

- SEC. 2. Section 25722.5 is added to the Public Resources Code, to read:
- 25722.5. (a) On or before January 1, 2005, in order to achieve the policy objectives set forth in Sections 25000.5 and 25722, the Department of General Services, in consultation with the commission and the State Air Resources Board, shall develop and adopt specifications and standards for all passenger cars and light-duty trucks that are purchased or leased on behalf of, or by, state offices, agencies, and departments. Authorized emergency vehicles, as defined in Section 165 of the Vehicle Code, that are equipped with emergency lamps or lights described in Section 25252 of the Vehicle Code are exempt from the requirements of this section. The specifications and standards shall include the following:
- (1) Minimum air pollution emission specifications that meet or exceed California's Ultra-Low Emission Vehicle II (ULEV II) standards for exhaust emissions (13 Cal. Code Regs. 1961). These specifications shall apply on January 1, 2006, for passenger cars and on January 1, 2010, for light-duty trucks.
- (2) Notwithstanding any other provision of law, the utilization of procurement policies that enable the Department of General Services to accomplish the following:
- (A) Evaluate and score emissions and fuel economy in addition to capital cost to enable the Department of General Services to choose the vehicle with the lowest life-cycle cost when awarding a state vehicle procurement contract.
- (B) Maximize the purchase or lease of hybrid or "Best in Class" vehicles that are substantially more fuel efficient than the class average.
- (C) Maximize the purchase or lease of available vehicles that meet or exceed California's Super Ultra-Low Emission Vehicle (SULEV) passenger car standards for exhaust emissions.
- (3) In order to discourage the unnecessary purchase or leasing of a sport utility vehicle and a four-wheel drive truck, a requirement that each state office, agency, or department seeking

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to purchase or lease that vehicle, demonstrate to the satisfaction of the Director of General Services or to the entity that purchases or leases vehicles for that office, agency, or department, that the vehicle is required to perform an essential function of the office, agency, or department. If it is so demonstrated, priority consideration shall be given to the purchase or lease of an alternatively fueled or hybrid sports utility vehicle or four-wheel drive vehicle.

- (b) On or before December 31, 2005, each state office, agency, and department shall review its vehicle fleet and, upon finding that it is fiscally prudent, cost effective, or otherwise in the public interest to do so, shall dispose of nonessential sport utility vehicles and four-wheel drive trucks from its fleet and replace these vehicles with more fuel efficient front-wheel drive passenger cars and trucks.
- (c) To the maximum extent practicable, each state office, agency, and department that has bi-fuel natural gas and bi-fuel propane vehicles in its vehicle fleet shall use the respective alternative fuel in those vehicles.
- (d) Commencing no later than January 1, 2005, the Director of General Services shall compile and maintain information on the nature of vehicles that are owned or leased by the state, including, but not limited to, all of the following:
- (1) The number of passenger-type motor vehicles purchased or leased during the year, and the number owned or leased as of December 31 of each year.
- (2) The number of sport utility vehicles and four-wheel drive trucks purchased or leased by the state during the year, and the number owned or leased as of December 31 of each year.
- (3) The number of alternatively fueled vehicles and hybrid vehicles purchased or leased by the state during the year, and the total number owned or leased as of December 31 of each year.
- (4) The justification provided for all sport utility vehicles and four-wheel drive trucks purchased or leased by the state and the specific office, department, or agency responsible for the purchase or lease.
- (5) The number of sport utility vehicles and four-wheel drive trucks purchased or leased by the state during the year, and the number owned or leased as of December 31 of each year that are alternative fuel or hybrid vehicles.

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1 (6) The number of light-duty trucks disposed under subdivision 2 (b).

- (7) The total dollars spent by the state on passenger-type vehicle purchases and leases, categorized by sport utility vehicle and nonsport utility vehicle, and within each of those categories, by alternative fuel, hybrid and other.
- (e) Each state office, agency, and department shall cooperate with the Department of General Services data requests in order that the department may compile and maintain the information required in subdivision (d).
- (f) As soon as practicable, the information compiled and maintained under subdivision (d) and a list of those state offices, agencies, and departments that are not in compliance with subdivision (e) shall be made available to the public on the Department of General Services' Web site.

amended to read:

- 14666.6. (a) With the approval of the state agency concerned, the director shall negotiate in the name of the state, access to state-owned property, not used for highway purposes, for those purposes and subject to those conditions, limitations, restrictions, and reservations determined by the director to be in the best interest of the state. To the extent permitted under existing law, the director shall determine the amount of consideration for, and means of, access, which means shall include, but not be limited to, any of the following: lease, permit, or other form of providing a monetary or service consideration for the access.
- (b) The Director of Transportation shall negotiate in the name of the state, access to state-owned highway rights of-way, for those purposes and subject to those conditions, limitations, restrictions, and reservations determined by the Director of Transportation to be in the best interest of the state. To the extent permitted under existing law, the Director of Transportation shall determine the amount of consideration for, and means of, access, which means shall include, but not be limited to, any of the following: lease, permit, or other form of providing a monetary or service consideration for the access.
- (c) This section applies to various telecommunications and information technologies, including, but not limited to, voice data, video, and fiber-optic technologies.

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(d) Any payments received under this section for a grant or conveyance through land or facilities controlled by the Department of Transportation, including, but not limited to, rights-of-way along the state highway system, shall be deposited in the State Transportation Fund.

(e) The Director of Transportation shall submit to the Legislature, no later than July 1, 2005, a summary of all payments or services the Department of Transportation receives for a grant or conveyance through land or facilities pursuant to this section.

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